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(Original Signature of Member)

114TH CONGRESS
1ST SESSION

H. R. _____

To establish a fund to make payments to the Americans held hostage in Iran and their immediate family members, who are identified as members of the proposed class in case number 1:00–CV–03110 (EGS) of the United States District Court for the District of Columbia, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. DUFFY introduced the following bill; which was referred to the Committee
on _____

A BILL

To establish a fund to make payments to the Americans held hostage in Iran and their immediate family members, who are identified as members of the proposed class in case number 1:00–CV–03110 (EGS) of the United States District Court for the District of Columbia, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Justice for Former
3 American Hostages in Iran Act of 2015”.

4 **SEC. 2. AMERICAN HOSTAGES IN IRAN COMPENSATION**
5 **FUND.**

6 (a) SENSE OF CONGRESS.—It is the sense of Con-
7 gress that ensuring justice for United States victims of
8 acts of terrorism by Iran who hold legal judgments against
9 Iran, and for those who have been denied access to such
10 judgments, is of paramount importance and should be ex-
11 peditiously addressed.

12 (b) ESTABLISHMENT.—There is established in the
13 Treasury a fund, to be known as the “American Hostages
14 in Iran Compensation Fund” (in this section referred to
15 as the “Fund”), for the purposes of—

16 (1) making payments to the Americans held
17 hostage in Iran and their immediate family mem-
18 bers, who are identified as members of the proposed
19 class in case number 1:00–CV–03110 (EGS) of the
20 United States District Court for the District of Co-
21 lumbia; and

22 (2) satisfying the claims against Iran relating
23 to the taking of hostages and treatment of personnel
24 of the United States embassy in Tehran, Iran, from
25 November 4, 1979, to January 20, 1981.

26 (c) FUNDING.—

1 (1) IMPOSITION OF SURCHARGE.—

2 (A) IN GENERAL.—There is imposed a sur-
3 charge equal to 30 percent of the amount of—

4 (i) any fine or monetary penalty im-
5 posed, in whole or in part, for a violation
6 of a law or regulation specified in subpara-
7 graph (B) committed on or after the date
8 of the enactment of this Act; or

9 (ii) the monetary amount of a settle-
10 ment entered into by a person with respect
11 to a suspected violation of a law or regula-
12 tion specified in subparagraph (B) related
13 to activities undertaken on or after such
14 date of enactment.

15 (B) LAWS AND REGULATIONS SPECI-
16 FIED.—A law or regulation specified in this
17 subparagraph is any law or regulation that pro-
18 vides for a civil or criminal fine or monetary
19 penalty for any economic activity relating to
20 Iran that is administered by the Department of
21 State, the Department of the Treasury, the De-
22 partment of Justice, the Department of Com-
23 merce, or the Department of Energy.

24 (C) TERMINATION OF DEPOSITS.—The im-
25 position of the surcharge under subparagraph

1 (A) shall terminate on the date on which all
2 amounts described in subsection (d)(2) have
3 been distributed to all recipients described in
4 that subsection.

5 (D) RULE OF CONSTRUCTION.—Nothing in
6 this paragraph shall be construed to require a
7 person that is found to have violated a law or
8 regulation specified in subparagraph (B) to pay
9 a surcharge under subparagraph (A) if that
10 person has not been assessed a fine or mone-
11 tary penalty described in clause (i) of subpara-
12 graph (A) or entered in to a settlement de-
13 scribed in clause (ii) of that subparagraph for
14 that violation.

15 (2) DEPOSITS INTO FUND; AVAILABILITY OF
16 AMOUNTS.—

17 (A) DEPOSITS.—The Secretary of the
18 Treasury shall deposit in the Fund all sur-
19 charges collected pursuant to paragraph (1)(A),
20 all contributions collected pursuant to para-
21 graph (3), and any other resources made avail-
22 able pursuant to paragraph (4).

23 (B) PAYMENT OF SURCHARGE TO SEC-
24 RETARY OF THE TREASURY.—A person upon
25 which a surcharge is imposed under paragraph

1 (1)(A) shall pay the surcharge to the Secretary
2 without regard to whether the fine or penalty
3 with respect to which the surcharge is im-
4 posed—

5 (i) is paid directly to the Federal
6 agency that administers the law or regula-
7 tion pursuant to which the fine or penalty
8 is imposed; or

9 (ii) is deemed satisfied by a payment
10 to another Federal agency.

11 (C) AVAILABILITY OF AMOUNTS IN
12 FUND.—Amounts in the Fund shall be avail-
13 able, without further appropriation, to make
14 payments under subsection (d).

15 (3) CONTRIBUTIONS.—The President is author-
16 ized to accept such amounts as may be contributed
17 by individuals, business concerns, governments, or
18 other entities for payments under this Act and such
19 amounts may be deposited directly into the Fund.

20 (4) OTHER RESOURCES.—The President may
21 identify and use other funds available for compen-
22 sating claims under this Act and may deposit such
23 amounts into the Fund.

24 (d) DISTRIBUTION OF FUNDS.—

1 (1) ADMINISTRATION OF FUND.—Payments
2 from the Fund shall be administered by the Sec-
3 retary of State in accordance with such rules and
4 procedures as the Secretary may prescribe.

5 (2) PAYMENTS.—Subject to paragraphs (3) and
6 (4), payments shall be made from the Fund to the
7 following recipients in the following amounts:

8 (A) To each living former hostage identi-
9 fied as a member of the proposed class de-
10 scribed in subsection (b)(1), \$6,750 for each
11 day of captivity of the former hostage.

12 (B)(i) Except as provided in clause (ii), to
13 the estate of each deceased former hostage
14 identified as a member of the proposed class de-
15 scribed in subsection (b)(1), \$6,750 for each
16 day of captivity of the former hostage.

17 (ii) If the estate of a deceased former hos-
18 tage identified as a member of the proposed
19 class described in subsection (b)(1) has no im-
20 mediate direct heirs as of the date of the enact-
21 ment of this Act, amounts from the Fund shall
22 be paid to the heirs at law as determined by the
23 intestacy laws of the State of the deceased
24 former hostage at the time of death of the de-
25 ceased former hostage.

1 (C) To each spouse of a former hostage
2 identified as a member of the proposed class de-
3 scribed in subsection (b)(1) if the spouse is
4 identified as a member of that proposed class,
5 \$600,000.

6 (D) To the estate of each deceased spouse
7 of a former hostage identified as a member of
8 the proposed class described in subsection
9 (b)(1) if the spouse is identified as a member
10 of that proposed class, \$600,000.

11 (E) To each child of a former hostage
12 identified as a member of the proposed class de-
13 scribed in subsection (b)(1) if the child is iden-
14 tified as a member of that proposed class,
15 \$600,000.

16 (F) To the estate of each deceased child of
17 a former hostage identified as a member of the
18 proposed class described in subsection (b)(1) if
19 the child is identified as a member of that pro-
20 posed class, \$600,000.

21 (3) PRIORITY.—Payments from the Fund shall
22 be distributed under paragraph (2) in the following
23 order:

24 (A) First, to each living former hostage de-
25 scribed in paragraph (2)(A).

1 (B) Second, to the estate of each deceased
2 former hostage described in paragraph
3 (2)(B)(i).

4 (C) Third, to each spouse of a former hos-
5 tage described in paragraph (2)(C).

6 (D) Fourth, to the estate of each deceased
7 spouse of a former hostage described in para-
8 graph (2)(D).

9 (E) Fifth, to each child of a former hos-
10 tage described in paragraph (2)(E).

11 (F) Sixth, to the estate of each deceased
12 child of a former hostage described in para-
13 graph (2)(F).

14 (G) Seventh, to the heirs at law of the es-
15 tate of each deceased former hostage described
16 in paragraph (2)(B)(ii).

17 (4) CONSENT OF RECIPIENT.—A payment to a
18 recipient from the Fund under paragraph (2) shall
19 be made only after receiving the consent of the re-
20 cipient.

21 (e) PRECLUSION OF FUTURE ACTIONS AND RELEASE
22 OF CLAIMS.—

23 (1) PRECLUSION OF FUTURE ACTIONS.—A re-
24 cipient of a payment under subsection (d) may not
25 file or maintain an action against Iran in any Fed-

1 eral or State court for any claim relating to the
2 events described in subsection (b)(2).

3 (2) RELEASE OF ALL CLAIMS.—Upon the pay-
4 ment of all amounts described in subsection (d)(2)
5 to all recipients described in that subsection, all
6 claims against Iran relating to the events described
7 in subsection (b)(2) shall be deemed waived and for-
8 ever released.

9 (f) DEPOSIT OF REMAINING FUNDS INTO THE
10 TREASURY.—

11 (1) IN GENERAL.—Any amounts remaining in
12 the Fund after the date specified in paragraph (2)
13 shall be deposited in the general fund of the Treas-
14 ury.

15 (2) DATE SPECIFIED.—The date specified in
16 this paragraph is the later of—

17 (A) the date on which all amounts de-
18 scribed in subsection (d)(2) have been made to
19 all recipients described in that subsection; or

20 (B) the date that is 5 years after the date
21 of the enactment of this Act.

22 (g) NO JUDICIAL REVIEW.—Decisions made under
23 this Act shall not be subject to review in any judicial, ad-
24 ministrative, or other proceeding.

25 (h) TAX TREATMENT OF PAYMENTS.—

1 (1) INDIVIDUALS.—In the case of an individual
2 described in subsection (d)(2) who receives a pay-
3 ment pursuant to this Act, such payment shall not
4 be subject to any tax under subtitle A of the Inter-
5 nal Revenue Code of 1986 (relating to income
6 taxes).

7 (2) ESTATES.—In the case of an estate de-
8 scribed in subsection (d)(2) that receives a payment
9 pursuant to this Act, a transfer of such payment by
10 the estate shall not be subject to any tax imposed
11 by chapter 11 of such Code (relating to estate tax)
12 or chapter 13 of such Code (relating to tax on gen-
13 eration-skipping transfers).

14 (i) REPORT TO CONGRESS ON COMPLETION OF PAY-
15 MENTS.—Not later than 60 days after determining that
16 a law or regulation specified in subsection (c)(1)(B) is ter-
17 minated or suspended or that amounts in the Fund will
18 be insufficient for the payment of all amounts described
19 in subsection (d)(2) to all recipients described in that sub-
20 section by the date that is 444 days after the date of the
21 enactment of this Act, the Secretary of State shall submit
22 to Congress recommendations to expedite the completion
23 of the payment of those amounts.